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CENTRAL INTELLIGENCE AGENCY

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COUNTRY East Germany

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1. 774,000 men would probably be organized in the GDR after the ratification of the Paris agreements. Spokesmen of the SED Central Committee and of the SED Bezirk headquarters in Berlin favored the rearmament of the GDR because they believed that this would facilitate the introduction of increased work norms. According to these spokesmen, the rearmament of the GDR would be a handy pretext for the stopping of the civil housing program for which construction materials were not available, for a rejection of a further cut in HO (state-owned shops) prices, and for a removal of the "prosperity façade" in the GDR.
2. There were great difficulties in propagating the rearmament. The GDR press has been ordered to hint at military measures which might become necessary in the GDR but it was told not to go into details and to speak of the rearmament only in the form of a possible necessity. The directives given by the SED Central Committee in this respect are not clear and the consequence is a certain amount of confusion in the GDR press.

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